

**PART 201 PHASE II  
DISCUSSION GROUP  
Complexity Subgroup  
Meeting**

**November 6, 2006  
9:30 AM to 3:00 PM  
Michigan State Housing Development Authority  
735 East Michigan Avenue  
Lansing, Michigan**

Facilitator:  
Paul Zugger, PSC  
(517) 371-7456

Conference Call Information:  
Dial-in Number:  
Alternate Dial-in Number:  
Passcode:

**Draft Agenda**

Welcome and Introductions	Paul Zugger	10 Minutes
Agenda Review	Paul Zugger	5 Minutes
Review of October 9, 2006 Meeting Summary	Paul Zugger	5 Minutes
Review and Discussion of Ideas from October 9, 2006 Meeting	All	60 Minutes
Break	All	15 Minutes
Part 31 and the Groundwater Surface Water Interface (GSI) Pathway	Bill Creal, Water Bureau Permit Section Chief, DEQ (Invited)	60 Minutes
Lunch Break	All	30 Minutes
Part 31 and the Groundwater Surface Water Interface (GSI) Pathway Discussion	All	60 Minutes
Next Steps	All	15 Minutes

PSC Staff: Carol Barish  
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Complexity Subcommittee Ideas  
Meeting #1 Oct. 9<sup>th</sup>

PREPARED BY SEMCOG, OCTOBER 18, 2006

During our first meeting on October 9<sup>th</sup> there seemed to be general consensus regarding a few principles that could help us focus our future discussions. In an attempt to assist our working team, we have tried to capture those principles and some of the relevant points related to each one. To the extent that we agree, the relevant question with these ideas become how to implement them, not whether they should be implemented.

To some extent these ideas overlap and provide an opportunity for consistency. For purposes of management, each of these issues needs to be discussed individually, but it is critical that we loop back to assure that the various recommendations fit together.

“80/20” Division of Process

There was general agreement that numerous resources are unnecessarily expended on a majority of projects. And, that the program would be improved if more resources were focused on the truly complex projects and less on the simpler ones. The general feeling was that about 80% of the projects would fall into a less complex category while the other 20% belong in a more complex one. This potential change to the Part 201 procedure would be significant in terms of its impact on the overall complexity of the program.

This particular approach to the program will not necessarily alter the number of available criteria or pathways, but instead focuses on how the program is implemented procedurally. The goal is to make the process more efficient for, and lessen the financial burden on, both the regulators and the regulated parties. This would occur due to the fact that there would be more focused oversight by the DEQ on the relevant issues at each site. In addition, applicants can get through the 201 process faster, thereby decreasing their transaction costs.

One way for this program change to work effectively is to improve the front end of this process. Specifically, the extent of the facility and agreements with the DEQ as to the required pathway assessments (data collection, etc.) to be completed would be agreed upon as part of an initial phase. One possible mechanism to accomplish this change is a screening tool or questionnaire implemented to determine whether a particular site cleanup can be accomplished using the new expedited process. This tool would layout the necessary requirements to qualify for this process and the steps to be taken by cleanup applicants. For this to occur, we would not necessarily have to eliminate pathways from the program. Instead, we would provide a means for limiting the number of pathways that would be necessary to consider as part of a specific project. If this new procedure is laid out properly, more sites are likely to be cleaned up and there will be more environmental improvement.

## The “Checklist”

There was also general agreement that the current program is overly complex. In addition, several members expressed difficulty and/or confusion over knowing when they have properly implemented the process to accomplish a site cleanup. This is resulting in some degree of uncertainty which may be impeding the number of completed site cleanups. It is likely that the program complexity is the root of the problem.

The development and use of a preliminary “checklist” or sign-off form would help alleviate these problems. The checklist would provide a means of documenting interim decisions that would facilitate providing clarity and certainty to both the regulated community and the DEQ.

One way to create this checklist would be to alter the RRD’s land use based response activity approval and tracking form. This could include adding a list of conditions the DEQ would require (pathways, criteria, screening levels, etc.) to obtain approval or signoff.

The goal would be to create a document that would provide the DEQ with enough information to make a determination, but at the same time, eliminates the complexity for those doing the cleanups. From a regulatory perspective it is necessary that this include a binding description of the property owner’s intended use classification of the site and a site layout in the beginning. Otherwise owners could change their site redevelopment plans in ways that compromise the limiting conditions agreed to in the initial site classification and corresponding checklist. In turn, for this to be successful, the regulated party would have to do an initial site evaluation (not currently required).

## Changing the Categories

There was general agreement that some alteration of the land use categories is needed. The numerous land use categories and the corresponding pathways complicate the ability of the regulated community to work within the Part 201 program.

One suggestion meriting further discussion was to decrease the number of categories by combining some of the current categories based upon their environmental cleanup requirements. The first new category would be “unrestricted,” which would include the now entitled residential and commercial I categories. The criteria and higher screening levels of the former names would remain as the requirements for the new unrestricted use category.

The other former categories of industrial and commercial II-IV would be within the new category entitled “restricted,” and would have the most restrictive corresponding criteria requirements of the former categories. The use of the site specific category would remain as it is currently.

Another step would be the use of a single controlling criteria of concern with the two new categories. The most restrictive of each of the following: groundwater, soil, and GSI, would be the single required criteria to be assessed at a site. There would be continued use of the risk assessment requirements with the current tables for site specific cleanups.

NOTE:

Please forward any questions or comments on this summary to: Rebecca Yedlin at:  
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